

# Top-Secret Government File on Missing Uranium Revealed

By John J. Fialka

Washington Star Staff Writer

The Nuclear Regulatory Commission has disclosed that there are top-secret government files on a case involving missing uranium that have been considered so sensitive that even the existence of the files was classified secret.

Documents declassified and released by the agency this week refer to files concerning the loss of 206 pounds of highly enriched uranium, a loss that was discovered in 1965 at a plant at Apollo, Pa., a town about 30 miles northeast of Pittsburgh.

The secret files deal with the activities of the company, the Nuclear and Equipment Corp. (NUMEC) and the man who was then the company's president, Dr. Zalman M. Shapiro.

According to the documents, the files were jointly held by three agencies, the Department of Justice, the CIA and the old Atomic Energy Commission.

The CIA has recently indicated to investigators of a House Commerce subcommittee that its contribution to the files included circumstantial evidence that indicates that the bomb-grade uranium may have been diverted from Apollo to Israel.

ACCORDING TO THE documents released this week, the NRC was initially denied access to the secret files, despite the fact that the agency has the responsibility for safeguarding the nation's nuclear materials.

The documents state that Larry L. Rich, an official of the AEC's successor, the Energy Research and Development Administration, "told us (the NRC) that this file could not be made available to us, since, in his words, the file is intelligence, not safeguards information."

The impasse was broken in early 1976 after William A. Anders, then the head of the NRC, protested and asked that the commission be given a briefing by CIA and ERDA officials on the matter.

The documents state that two days of briefings occurred in February 1966 and that as a result "the commission has not said since early 1976

that 'there is no evidence of any diversion of material having ever occurred' without adding qualifications to such statements."

This disclosure, included in an NRC memo previously classified secret, may present further problems for Lee V. Gossick, the NRC's executive director, who told two House subcommittees last summer that the NRC had "no evidence" of any diversion.

REP. MORRIS K. UDALL, chairman of the House Interior Committee, has charged that Gossick made "a serious misrepresentation of the facts" and as a result the NRC's inspector-general has opened an investigation of the matter.

Gossick and the NRC's inspector-general have been invited to further explain the matter before Udall's committee on Feb. 14.

Officials of ERDA, which has been reorganized into the Department of Energy, have made similar "no evidence" statements and some of them have repeatedly denied to reporters that there was any secret CIA file on Apollo.

A press conference in August involved this exchange between a reporter and two of ERDA's highest-ranking intelligence officials:

Edward B. Giller (then ERDA's deputy assistant administrator for national security): "Is there such a report?"

Reporter: "Well, that's my question."

Giller: "Oh, you were asking me is there one. Are you asking me is there a report?"

Reporter: "The report of the CIA investigation, and are any of you aware of it?"

Giller: "If there is a CIA report, I have not seen it."

Gen. Alfred D. Starbird (Giller's boss): "My answer is the same as Ed's."

The upshot of the disclosures by the NRC this week is that, while certain files on NUMEC are still considered top secret, government officials can now acknowledge that they exist.

Shapiro has persistently refused to make any comment on the matter to the press.